

**CONFIDENTIAL**

Approved For Release 2000/05/16 : CIA-RDP81-00314R000600040002-5

**EYES ONLY**

24 March 1972

MEMORANDUM FOR: Director of Personnel

SUBJECT : Presentation Notes, 24 March 1972;  
Personnel Administration, An Overview, 1946-68

1. DESCRIPTION OF PRODUCT:

236 Pages of Narrative and Footnotes

75 Pages of Sources, mostly from the Oral History

11 Pages of Chronology, 1946-68

12 Pages of Background Documents Titles

25 Pages of Index

2. Combines Chronological and Topical Approach, (e.g. Chapter II, The Career Service Program and Personnel Administration; 1950-62, covers about the same time frame as Chapter III, Basic Personnel Administration in the Fifties, reflecting the separate paths they were taking. Supergrade Admin picked up in Chapter IV in 1962 when the Review Board was abolished and D/Pers was given the staff and coordinating role; Chapter V on Benefits and Services is completely topical although chronological within each topic.) THUS, THE IMPORTANCE OF THE INDEX.

3. The Overview can aid the researcher. The in-depth review of a topic if covered in the History can be aided by picking up the thread in the narrative, following it through the Oral History sources and the unit history references, then to the background document list and if necessary to the retired document file (OP Historical Files).

Example.: Surplus Personnel (Planning under Stewart in one section, Implementation under Echols in another, Oral History statements by five people at source 116, Regs in document file). Career Counseling (Individual Career Planning adopted 1956 dropped in 1960, Regs in document file). INDEX PERMITS IMAGINATIVE USE.

**CONFIDENTIAL**

Approved For Release 2000/05/16 : CIA-RDP81-00314R000600040002-5

**CONFIDENTIAL**  
**EYES ONLY**

4. The "Overview" can Assist in the Problem Solving and the Decision Making Process.

The past shapes the present -- sometimes the present shapes the past but a strong effort has been made in the Overview History to avoid this -- and both the past and the present shape the future. Administrative history can answer the question of how we got where we are, it can explain the status quo -- sometimes defined as the mess we are in -- and the study of history can contribute to answering the question of where we want to be.

Example: The policy of Career Service autonomy and the organizational separation of the personnel and training function, necessary though they may have been in the building and formative years, have diluted the role of the Director of Personnel and made it difficult to accomplish Agency-wide personnel and training programs and manpower control programs.

Administrative issues tend to be cyclical, e.g., average grade control. Although the problems may be old the players are new. The study of history can save rediscovering the wheel.

The part played by personalities in past decisions to do something or not to do it, can be determined by review of administrative history. Organizational alignments are susceptible to analysis from the standpoint of personalities, particularly when those personalities may no longer be present.

The study of history can surface policies that were continued after the original purpose had been served and can measure the reasons why something was done or not done against changing times, circumstances and organization needs.

25X9

Example: Competitive Promotion, a tremendous and needed innovation when introduced in 1956 with strength hovering around the [REDACTED]

25X9

[REDACTED] mark and a T/O of [REDACTED]  
It brought order out of chaos -- but -- not much of a motivator is it now where the odds increase so. Furthermore, the rank in man concept has led to job dilution and dissatisfaction as people have been promoted without regard to their duties.

25X9

**CONFIDENTIAL**

**CONFIDENTIAL**  
**EYES ONLY**

5. Successes and Non-Successes: These were often the two sides of the same coin.

Example: The personnel administration system has been extremely responsive to the needs of operating components, particularly in the procedural area, such things as the flexible T/O, the CSGA, Personal Rank Assignment, delegation of promotion and assignment authority. By the same token, it has been inhibited in the enforcement of rules and regulations designed to assure equitable administration across the Agency and has been characterized by the inability to effect Agency-wide Personnel and Training Programs, the most conspicuous failure being that of the CIA Career Staff and the CIA Selection Board concept, which had to be given up in 1960 after six years of effort. Other wrecks along the road include the Senior Career Development Program of the early 50's, the Management Development Committee of the late 50's, the Personnel Development Board of the 60's, Inter-Directorate Rotation and probably Career Development and Counseling, at least on a centralized basis.

On the other hand, programs not involving the question of relative authority, such as the Benefits and Services Program were most successful.

History, said Lord Acton, does not disclose its alternatives. No one can say what the results might have been had another course been followed. Currently the Foreign Service, a centralized, forced attrition system, is in deep trouble following the suicide of one of its forced out members.

William J. Kelly, the first Personnel Director, who left that office in 1951, had this to say in his interview in 1970 for the Oral History. "In retrospect," he said, "the biggest lack of success was the inability of the Personnel Office to retain the management of the Career Program; the inability to sell top management on the personnel administration; and finally, the lack of a strong and equitable salary administration."

Colonel White's 1962 statement is pertinent: The Agency's Career Service Program, together with its subordinate Career Service mechanisms representing major areas of vocational specialization, was evolved over many years as one possible solution to the seemingly hopeless problem of developing a

**CONFIDENTIAL**

**EYES ONLY**

5. Successes and Non-Successes (Cont'd):

unified Agency personnel Program. The problem lay in the highly divisive forces generated by widely divergent missions, worldwide dispersion of command authority, high security compartmentation, and conflicting philosophies of organization and command . . . a workable concept and mechanism has been evolved.

**CONFIDENTIAL**  
**EYES ONLY**

6. Some Persistent Problems of Personnel Administration and Observations Thereon.

The Big Dilemma, Who Do You Develop? General Smith's original concept of a junior officer corp was distorted into an elite corp by a process of conscious misunderstanding according to Matt Baird. In 1959, the IG, Lyman G. Kirkpatrick, concluded that "the jettisoned hard core concept produced three critical problems in personnel management: the magnitude of the program was increased a hundred fold; training requirements were distorted and disorganized; the Board and Panel mechanism devised to implement the program was cumbersome and slow, and usurped much of the authority of the Director of Personnel." Are we trying to do too much for too many?

Manpower Planning and Control: We have done better with the latter than the former.

A seemingly hopeless task, our manpower planning efforts have not been able to flatten the peaks and valleys of recruitment or to prevent the periodic pile up of surplus personnel. The recruitment roller coaster has been the source of many of our personnel problems of surplus and marginal personnel.

The problem of the flow of personnel persists; how many should enter, what should be the promotion rate, the outflow. The modeling of the system in the form of a career matrix for the various categories would aid in the pretesting of policies against an optimum condition.

**CONFIDENTIAL**

**CONFIDENTIAL**  
**EYES ONLY**

6. Persistent Problems (Cont'd):

Defining the Generalist-Specialist distinction, particularly as it relates to competitive promotion. Everybody cannot be promoted indefinitely. Should the specialist top off at a predetermined grade and can that grade be established from the standpoint of the promotion potential of the system?

Employee Communication Motivation: There has been a wide communication gap between employees and management throughout our history, deplored by several Directors of Personnel and by Kirkpatrick. The CIA Retirement Act was a good example. Its approval right after the 701 Program led many employees who were ignorant of the fourteen year effort that preceded the Act to consider this very tangible benefit to be a follow-on to the 701 Program, something that management was doing to them rather than for them.

The creeping bureaucracy led to this somewhat nostalgic article in the Intelligence Studies, Winter 1971, which reflects on management behavior affecting motivation. The author, [REDACTED] entitled his article, "The Good Old Days, You are on Your Own."

"In retrospect, it is doubted that under CIA current Management philosophy (the 1951 operation) would be feasible today. It is appreciated that since 1951 the US Government has grown with this growth it has instituted various levels of budgetary reviews of CIA activities. Congress is likewise more interested in CIA operations . . . CIA Regulations and operating procedures now require various clearances, approvals, etc., and considerable effort, time, and planning are devoted to the purely bureaucratic aspects of any operation. There is little doubt that such scrutiny tends to inhibit freedom of action. However, whether under these circumstances today's breed of "managers" and "administrators" makes CIA a more effective organization makes for interesting discussion. How many times have you recently been told, "Ok, you're on your own."

**CONFIDENTIAL**

**CONFIDENTIAL**  
**EYES ONLY**

6. Persistent Problems (Cont'd)

Defining the Role of the Director of Personnel: Is he the Head of a Support Office or is he the Personnel Director of the Agency? From 1951 to 1955 there was an Assistant Director of Personnel (AD/Pers) reporting ostensibly to the DCI and a Personnel Director who was the Head of the Personnel Office and as such reporting to the DDA. These were critical years in the formation of the career program and it was during these years that, for one reason or another, the Personnel Director lost the policy initiative in the personnel "business" never to regain it. However, that there were four AD/Pers in as many years and some of them at least were not very happy choices. The result was to cast the Director of Personnel very firmly in a service rather than a policy role.

Gordon Stewart, when assuming the Director of Personnel post in 1957, was presented by the DDCI (General Cabell) with a paper written by Kirkpatrick and entitled, "The Role of the Director of Personnel," which was designed to remove doubts about the authorities of the D/Pers. The paper established a combined line and staff role with direct responsibility for hiring, initial assignment, and control, after policies had been established. Stewart, a member of the First Circle, had strong ideas of his own, and more important, access to the highest levels. His response to the Role paper was strong and clear but he went further and secured approval of a policy of decentralization of personnel management to the Career Services with the D/Pers in an overview role.

"Since I have the impression that the Agency is drifting in the personnel field (ever higher grades, more people, maldistribution of age groups), I strongly recommend that each Career Service be made to face up to its own peculiar problems and with the help of the Office of Personnel do what it can to solve them."

Stewart thought that decentralization would fix responsibility where it could be most effectively exercised, guarantee to the individual that his career was in the hands of informed and responsible officials, provide a framework for sound planning with regard to pay scales and recruitment, reduce duplication of effort, and finally make more effective Agency efforts to evaluate personnel, advance the able, and weed out the ineffective.

**CONFIDENTIAL**

**CONFIDENTIAL**

**EYES ONLY**

6. Persistent Problems (Cont'd)

Defining the Role of the Director of Personnel (Cont'd):

Colonel White said in the Oral History that "No one is ever going to be the G-1 of the CIA," to which he might have added, "as long as I am here." The reference is to a Deputy for Manpower, Personnel and Training which just did not seem to him to be in the cards for this thoroughly civilian agency. The fact is that time change and roles change. Suggestions to combine Personnel and Training never got anywhere as long as Colonel White was here.

Emmett Echols stressed the review and monitoring role. He took a reading in 1964 of the practices and policies of the individual career services and accumulated quite a pile of material. The Office of Finance was unique in the briefness and content of its answer which was limited to stating the six criteria for promotion that they used and saying that, "as for the balance, we are guided by the Agency policies, Regulations and Notices." Most of the others never heard of CIA judging by the lack of reference to Agency policies and regulations in their answers. Nothing ever came of the Echols' study insofar as can be determined from the record.

What is today's role of the D/Pers? It has changed as witness the amount of time and effort on ceiling and manpower control problems. The fact is that times change, people leave and arrive and shifts in emphasis and content occur, some obvious and some very subtle. Perhaps the question should be answered currently in a conscious and deliberate way in line with the intentions and expectations of the current top management drawing on the experience of the past.

**CONFIDENTIAL**



**CONFIDENTIAL**

**EYES ONLY**

6. Persistent Problems (Cont'd)

The Pers/Admin Paradox. The difficulty was and is that personnel administration is a paradox, which in one aspect at least has been described as follows:

No central personnel agency can hope to be popular always and with everyone . . . it must try to meet irreconcilable objectives, namely service and administration of the laws and regulations . . . it is characteristic of personnel administration that its contribution cannot be measured effectively when it operates in the sphere of its greatest effectiveness, but its value is relatively determinable when it neglects its most important function . . . The paradox is this . . . the Personnel Director is essentially an advisor to management -- from top executive to first line supervisor. As he performs his task, either effectively or poorly, his contribution is commingled with that of general management, and therefore not separately measurable. On the other hand, if personnel administration confines itself to its own operations, it can boast of the number of applicants recruited, of jobs classified and similar activities that are capable of statistical treatment. These are all useful and necessary services but fail to demonstrate personnel administration's role in management decisions.

7. In Conclusion: Administration is an endless process which permits of no permanent solutions. Constant attention, frequent challenge to policies and practices, occasional review by "outside" -- that is, outside the personnel business -- people of policies and practices, these are the stuff of which good personnel administration is made with the final test a pragmatic one; namely, is it working?

**CONFIDENTIAL**